

**NATCHITOCHE PARISH SCHOOL BOARD**  
**Natchitoches, Louisiana**

**Basic Financial Statements**  
**and Independent Auditor's Reports**  
**As of and for the Year Ended June 30, 2011**  
**(With Comparative Totals, June 30, 2010)**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

**JAN 11 2012**

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

Basic Financial Statements  
and Independent Auditor's Reports  
As of and for the Year Ended June 30, 2011  
(With Comparative Totals, June 30, 2010)

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Natchitoches, Louisiana  
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**HERBIE W. WAY**  
**CERTIFIED PUBLIC ACCOUNTANT**

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**Independent Auditor's Report**

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish School Board as of and for the year ended June 30, 2011, which collectively comprise the school board's basic financial statements, as listed in the table of contents. These basic financial statements are the responsibility of the school board's management. My responsibility is to express an opinion on these basic financial statements based on my audit. I did not audit the Statement of Fiduciary Net Assets (Statement G) - School Activity Agency Fund, which represents 100 percent of the assets of the agency fund. That statement was audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the School Activity Agency Fund, is based solely on the report of other auditors.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, based on my audit and the report of other auditors, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish School Board as of June 30, 2011, and the respective changes in financial position thereof for the year ended, in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Independent Auditor's Report  
(Continued)

In accordance with *Government Auditing Standards*, I have also issued a report dated December 14, 2011, on my consideration of internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying supplemental information schedules listed in the table of contents relating to the school board's performance measures are presented for the purpose of additional analysis and are not a required part of the school board's basic financial statements. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, accordingly, I do not express such an opinion.

The financial information for the year ended June 30, 2010, which is included for comparative purposes, was taken from the financial report for that year in which I expressed an unqualified opinion dated December 16, 2010, on the basic financial statements of the Natchitoches Parish School Board.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
December 14, 2011

**REQUIRED SUPPLEMENTAL INFORMATION**

**PART I**

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Management's Discussion and Analysis  
June 30, 2011

**FINANCIAL HIGHLIGHTS**

The basic financial statements of the Natchitoches Parish School Board, as of and for the year ended June 30, 2011, with comparative information for the year ended June 30, 2010, provides the following insights into the financial position and the results of operations.

The following table presents a comparison of fund balances between current year and prior year:

Table 1  
Governmental Funds  
Statement C - Fund Balances  
June 30, 2011 and 2010  
(in millions)

Governmental Funds	June 30	
	2010	2011
Major Funds:		
General Fund	\$14.282	\$14.684
School Food Service Fund	.049	.845
ESEA Title I	N/A	N/A
Nonmajor Funds	4.817	4.689

The following table presents a comparison between current year and prior year:

Table 2  
Governmental Funds  
Statement E - Expenditures by Function  
June 30, 2011 and 2010  
(in millions)

Expenditures by Function	June 30	
	2010	2011
Instructional programs	\$41.617	\$44.395
Support programs	19.560	20.670
Non-instructional programs	3.964	3.895
Debt service programs (net of refunding bond issues)	3.338	3.374

The 5.63% increase in expenditures resulted from an overall increase in operating costs relating to salaries and related benefits, especially as it relates to the funding of retirement programs.

**USING THIS ANNUAL REPORT**

The school board's basic financial statements consists of a series of financial statements that show information for the school board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the school board as a whole and present a longer-term view of the school board's finances. For the school board's governmental activities, these statements report how the school board finances its services in the short-term as well as what remains for future spending. Fund statements may also provide insights into the school board's overall financial position. Fund financial statements also report the school board's operations in more detail than the government-wide financial statements by providing information about the school board's most significant funds, such as the general fund, the School Food Service Fund, and the Title I (Federal program). The remaining statement, the Statement of Fiduciary Net Assets, presents financial information about activities for which the school board acts solely as an agent for the benefit of others.

See Independent Auditor's Report

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Management's Discussion and Analysis (Continued)

**STATEMENT OF NET ASSETS AND THE STATEMENT OF ACTIVITIES**

The Statement of Net Assets and the Statement of Activities are reported using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are reported regardless of when cash is received and/or paid. These statements present the governmental activities of the school board which comprises all of the school board's services which include, instruction, plant services, transportation of students, and school food services. Property taxes, sales taxes, State Minimum Foundation Program funds, and federal and state grants finance these activities.

These statements report the school board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as a way to measure the school board's financial position. Increases or decreases in the school board's net assets, as reported in the Statement of Activities, are an indicator of whether the school board's financial position is improving or deteriorating. The difference between revenues and expenses presents the school board's operating results; however, the school board's objective is to provide services to the students, and not to generate profits as a commercial enterprise. Consideration should also be given to other nonfinancial factors, such as the quality of education provided and the safety of the students, to assess the overall financial condition of the school board.

**FUND FINANCIAL STATEMENTS**

The fund financial statements provide detail information about the most significant funds of the school board, but not the school board as a whole. Some funds are required to be established by State law and bond covenants; however, the school board establishes other funds to enable it to control and manage financial resources for particular purposes or to demonstrate that it is meeting legal requirements for the expenditure of certain taxes, grants, and other restricted revenues.

The school board's services are reported in governmental funds which focus on showing how financial resources flow into and out of funds and the balances remaining at year-end that may be available for future spending, using the modified accrual basis of accounting, which measures cash and other financial assets that may be readily converted to cash. This basis of accounting provides a detailed short-term view of the school board's operations and the services it provides. The governmental fund information enables financial statement users to determine whether there are more or fewer financial resources that can be spent in the near future to finance the school board's programs. The relationship between governmental activities reported in the government-wide financial statements (Statement A and B) and the governmental funds (Statement C and E) in a reconciliation on Statements D and F.

**FIDUCIARY RESPONSIBILITIES**

The school board is the trustee, or fiduciary, for the student activity funds. Fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. These financial activities are excluded from the school board's other financial statements because they cannot be used to finance its operations. The school board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.



NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Management's Discussion and Analysis (Continued)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The analysis below focuses on the net assets (Table 3) and the changes in net assets (Table 4) of the school board's governmental activities.

Table 3  
Statement A - Net Assets  
June 30, 2011 and 2010  
(in millions)

	Governmental Activities	
	June 30	
	2010	2011
Current and other assets	\$29.707	\$29.620
Capital assets (net of accumulated depreciation)	38.058	36.262
Total assets	<u>\$67.765</u>	<u>\$65.882</u>
Current and other liabilities	\$11.365	\$10.120
Long-term liabilities	32.194	33.646
Total liabilities	<u>43.559</u>	<u>43.766</u>
Net assets:		
Nonspendable	17.465	18.989
Restricted	3.645	3.387
Committed	1.483	2.254
Unassigned (deficit)	<u>1.613</u>	<u>(2.514)</u>
Total net assets	<u>\$24.206</u>	<u>\$22.116</u>

The deficit of \$2.514 million in unassigned net assets of governmental activities represents the accumulated results of all past year's operations and is a result of the recognition of other postemployment benefits (employee healthcare insurance) in accordance with GASB 45.

Table 4  
Statement B - Changes in Net Assets  
For the Year Ended June 30, 2011 and 2010  
(in millions)

	June 30	
	2010	2011
Revenues:		
Program revenues:		
Charges for services	\$ .456	\$ .896
State and Federal grants	12.343	13.799
General revenues:		
Ad valorem taxes	6.558	6.984
Sales taxes	10.991	13.319
State equalization	34.434	34.445
State and federal grants	3.668	2.488
Other	<u>1.820</u>	<u>1.472</u>
Total revenues	<u>70.270</u>	<u>73.403</u>

See Independent Auditor's Report

**NATCHITOCHES PARISH SCHOOL BOARD**  
**Natchitoches, Louisiana**  
**Management's Discussion and Analysis (Continued)**

	June 30	
	2010	2011
<b>Expenses:</b>		
Instructional	\$44.859	\$48.436
Support services	21.342	22.434
Non-Instructional	3.972	3.903
Interest on long-term debt	.821	.720
Total expenses	70.994	75.493
Increase (decrease) in net assets	\$(0.724)	\$(2.090)

As reported in the Statement of Activities, the cost of all governmental activities of the school board this year was \$75.493 million; however, the amount that taxpayers ultimately financed for these activities through school board taxes was only \$60.797 million because some of the cost was paid by those who benefitted from the programs (\$.896 million) or by other governments and organizations who subsidized certain programs with grants and contributions (\$13.800 million). The remaining "public benefit" portion of governmental activities were financed with \$60.797 million in State Minimum Foundation Program funds, general sales and use taxes, ad valorem property taxes, and with other revenues such as interest and general entitlements.

The table below presents the cost of each of the school board's largest functions, as well as each programs net cost (total cost less revenues generated by the activities) of these functions. Providing this information allows users to consider the cost of each function in comparison to the benefits provided by that function.

Program Type	Governmental Activities			
	June 30, 2010		June 30, 2011	
	Total Cost of Services	Net Cost Of Services	Total Cost of Services	Net Cost of Services
Instructional	\$44.859	\$38.172	\$48.436	\$40.592
Support services	21.342	19.623	22.434	19.888
Non-Instructional	3.972	(.421)	3.903	(.403)
Interest on debt	.821	.821	.720	.720
Totals	\$70.994	\$58.195	\$75.493	\$60.797

As was noted earlier, the school board uses funds to assist in controlling and managing financial resources for particular purposes. This approach not only improves accountability over the resources from taxpayers and others but it provides additional insight into the school board's overall financial position.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the course of the year, the school board revised its budget as additional information becomes available and to deal with changes in revenues and expenditures. Schedules reporting the school board's original and final budget amounts, of its major funds, compared with actual amounts are presented as supplementary information in Part II of the financial report.

See Independent Auditor's Report

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Management's Discussion and Analysis (Continued)

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital assets (net of accumulated depreciation) - at June 30, 2011, the school board has invested \$ million in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease of approximately \$1.796 million.

**Capital Assets at Year-End**

	Governmental Activities	
	2010	2011
Land	\$1.300	\$1.300
Buildings	35.966	34.228
Furniture and equipment	.792	.734
Totals	<u>\$38.058</u>	<u>\$36.262</u>

Debt - at June 30, 2011, the school board has \$17.413 million in certificates of indebtedness and general obligation bonds outstanding, this compares to \$19.924 million outstanding at June 30, 2010, a decrease of approximately 14%.

**Outstanding Debt, at Year End**

	Governmental Activities	
	2010	2011
Certificates of indebtedness	\$1.585	1.410
General obligation bonds	18.339	16.006
Total	<u>\$19.924</u>	<u>\$17.416</u>

The schools board's general obligation bond's, backed by the school board, carry a bond rating (Moody's) of Aaa. The State of Louisiana limits the amount of general obligation debt that parishes may issue to 50 per cent of the assessed valuation of all taxable property within the parish. The school board's outstanding general obligation debt of \$16.006 million is significantly below the statutorily-imposed limit.

Other obligations include accrued vacation pay and sick leave and other post employment benefits (life/health insurance). Vacation pay and sick leave totaled \$1.872 million at June 30, 2011, a net increase of \$.026 million from the prior year. Additionally, other postemployment benefits (life/heath insurance) totaled \$14.369 million at June 30, 2011, a net increase of \$3.933 million. Detailed information on these long-term obligations is presented in the notes to the basic financial statements.

**CONTACTING THE SCHOOL BOARD**

The financial report is designed to provide citizens, taxpayers, parents, students, and investors and creditors with a general overview of the school board's finances and to show the school board's accountability for the financial resources it receives. Questions about this report or requests for additional financial information should be directed to the Superintendent of Schools and/or the Director of Business Affairs, at the Natchitoches Parish School Board, 600 Royal Street, Natchitoches, LA 71457, telephone number (318) 352-2358.

See Independent Auditor's Report

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

**BASIC FINANCIAL STATEMENTS**  
**AS OF JUNE 30, 2011, AND FOR THE YEAR THEN ENDED**  
**(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010, AND FOR THE YEAR THEN ENDED)**

## Statement A

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, LouisianaStatement of Net Assets  
June 30, 2011  
(With Comparative Totals, June 30, 2010)

	2011	2010
ASSETS		
Cash and cash equivalents	\$9,591,576	\$9,970,301
Investments	16,976,702	16,322,269
Receivables	2,909,247	3,277,189
Bus loans receivable		47,277
Inventory	142,214	89,961
Capital assets (net of accumulated depreciation):		
Land	1,300,290	1,300,290
Buildings and improvements	34,228,086	35,966,296
Furniture and equipment	734,200	791,490
<b>TOTAL ASSETS</b>	<b>\$65,882,314</b>	<b>\$67,765,073</b>
<b>LIABILITIES</b>		
Accounts, salaries, and other payables	\$8,917,550	\$10,136,490
Deferred revenue	484,391	421,678
Interest payable	718,068	806,528
Long-term liabilities:		
Due within one year	6,589,070	2,969,301
Due in more than one year	27,057,217	29,225,045
<b>Total Liabilities</b>	<b>43,766,296</b>	<b>43,559,042</b>
<b>NET ASSETS</b>		
Nonspendable:		
Investment in capital assets (net of related debt)	18,846,576	17,327,548
Bus loans receivable		47,277
Food inventory	142,214	89,961
Restricted for:		
Debt service	3,387,286	3,630,404
Worker's compensation		4,866
Grant operations		10,471
Committed for:		
Maintenance and operation	2,080,453	1,309,548
Capital outlay	172,993	172,993
Unassigned (deficit)	(2,513,505)	1,612,963
<b>TOTAL NET ASSETS</b>	<b>\$22,116,018</b>	<b>\$24,206,031</b>

The notes to the financial statements are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Statement of Activities  
For the Year Ended June 30, 2011  
(With Comparative Totals For the Year Ended June 30, 2010)

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			2011	2010
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
Governmental activities:					
Instruction:					
Regular programs	\$25,464,646		\$48,856	(\$25,415,790)	(\$23,227,041)
Special programs	12,125,180		4,433,656	(7,691,524)	(8,305,519)
Vocational programs	1,047,356		91,520	(955,836)	(1,060,407)
Adult and continuing education program	686,354		55,796	(630,558)	(66,759)
Other programs	9,112,419		3,214,413	(5,898,007)	(5,511,824)
Support services:					
Student services	2,765,216		1,214,233	(1,550,983)	(1,837,067)
Instructional staff support	2,507,246		699,685	(1,807,561)	(1,813,079)
General administration	2,950,331		3,072	(2,947,259)	(2,821,751)
School administration	3,640,072		49,227	(3,590,844)	(3,245,758)
Business services	626,204		61,598	(564,607)	(502,925)
Plant services	5,427,288	\$486,128	12,526	(4,928,634)	(4,694,488)
Student transportation services	4,343,177		19,017	(4,324,160)	(4,457,759)
Central services	174,853		347	(174,506)	(250,008)
Food services	3,902,560	410,346	3,895,468	403,254	420,653
Community service programs					
Interest on long-term debt	720,405			(720,405)	(821,225)
Total Governmental Activities	75,493,308	896,473	13,799,414	(60,797,420)	(58,194,959)
General revenues:					
Taxes:					
Property taxes, levied for general purposes				4,203,857	3,989,151
Property taxes, levied for debt services				2,779,483	2,568,937
Sales and use taxes, levied for general purposes				13,319,148	10,991,076
State revenue sharing				68,849	214,770
Grants and contributions not restricted to specific purposes:					
Minimum Foundation Program				34,375,822	34,219,406
Federal grant programs				2,163,047	3,528,168
State grant programs				324,748	140,006
Interest and investment earnings				545,429	1,054,872
Miscellaneous				927,024	760,712
Compensation for loss of assets					4,163
Total general revenues and special items				58,707,407	57,471,260

The notes to the financial statements are an integral part of this statement.

Statement B  
(Concluded)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Statement of Activities  
For the Year Ended June 30, 2011  
(With Comparative Totals For the Year Ended June 30, 2010)

	2011	2010
Changes in net assets	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	(\$2,090,013)	(\$723,699)
Net assets - beginning of year	24,206,030	24,929,729
Net assets - end of year	\$22,116,018	\$24,206,031

The notes to the financial statements are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

GOVERNMENTAL FUNDS

Balance Sheet  
June 30, 2011  
(With Comparative Totals, June 30, 2010)

	GENERAL FUND	SCHOOL FOOD SERVICE FUND	TITLE I FUND	OTHER GOVERNMENTAL FUNDS	2011 TOTAL	2010 TOTAL
<b>ASSETS</b>						
-----						
Cash and cash equivalents	\$4,627,886	\$925,290	\$41,720	\$3,996,680	\$9,591,576	\$9,970,301
Investments, at fair value	14,979,217			1,997,485	16,976,702	16,322,269
Receivables	230,536	27,803	584,933	2,065,975	2,908,247	3,277,189
Interfund receivables	1,900,186				1,900,186	1,991,883
Bus loans receivable						47,277
School food service inventory		142,214			142,214	89,961
<b>TOTAL ASSETS</b>	<b>\$21,737,825</b>	<b>\$1,095,306</b>	<b>\$626,653</b>	<b>\$8,060,140</b>	<b>\$31,519,924</b>	<b>\$31,698,880</b>
<b>LIABILITIES AND FUND BALANCES</b>						
-----						
<b>Liabilities:</b>						
Accounts, salaries, and other payables	\$7,054,085	\$250,203	\$210,507	\$1,402,756	\$8,917,550	\$10,136,490
Interfund payables			416,146	1,484,041	1,900,186	1,991,883
Deferred revenues				484,391	484,391	421,678
<b>Total Liabilities</b>	<b>7,054,085</b>	<b>250,203</b>	<b>626,653</b>	<b>3,371,187</b>	<b>11,302,127</b>	<b>12,550,052</b>
<b>FUND EQUITY</b>						
-----						
<b>Fund balances:</b>						
Nonspendable:						
Bus loans receivable					142,214	47,277
Food inventory		142,214				89,961
Restricted for:						
Debt service				3,387,286	3,387,286	3,630,404
Worker's compensation						4,866
Grant operations						10,471
Committed for:						
Insurance loss	1,224,909				1,224,909	1,200,271
Contingencies					15,523,069	11,529,204
Maintenance and operation	15,523,069	702,890		1,377,563	2,080,453	1,279,420
Capital outlay				172,993	172,993	172,993
Unassigned	(2,064,238)			(248,890)	(2,313,128)	1,183,962
<b>Total Fund Balances</b>	<b>14,683,740</b>	<b>845,103</b>	<b>NONE</b>	<b>4,688,953</b>	<b>20,217,796</b>	<b>19,148,828</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$21,737,825</b>	<b>\$1,095,306</b>	<b>\$626,653</b>	<b>\$8,060,140</b>	<b>\$31,519,924</b>	<b>\$31,698,880</b>

The notes to the financial statements are an integral part of this statement.



## Statement D

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2011  
(With Comparative Totals, June 30, 2010)

		2011	2010
		-----	-----
Total Fund Balances - Governmental Funds		\$20,217,796	\$19,148,828
Cost of capital assets	\$72,564,190		
Less - accumulated depreciation	(36,301,614)	36,262,576	38,058,076
	-----		
Elimination of interfund assets and liabilities:			
Interfund receivables	(1,900,186)		
Interfund payables	1,900,186	NONE	NONE
	-----		
Liabilities:			
Compensated absences	(1,871,738)		
Bonds and certificates of indebtedness payable	(17,416,000)		
Accrued interest payable	(718,068)		
OPEB obligation	(14,358,550)	(34,364,355)	(33,000,874)
	-----	-----	-----
Net Assets		\$22,116,018	\$24,206,031
		=====	=====

The notes to the financial statements are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2011  
(With Comparative Totals For the Year Ended June 30, 2010)

	GENERAL FUND	SCHOOL FOOD SERVICE FUND	ESEA TITLE 1	OTHER GOVERNMENTAL FUNDS	2011 TOTAL	2010 TOTAL
<b>REVENUES</b>						
Local sources:						
Taxes:						
Ad valorem	\$2,668,425			\$4,314,915	\$6,983,340	\$6,558,088
Sales and use	13,319,148				13,319,148	10,991,076
Rentals, leases, and royalties	480,078			6,050	486,128	27,171
Interest earnings	498,745			45,214	545,429	1,054,872
Food services		\$1,470			410,346	428,544
Contributions and donations		410,346			410,346	
State sources:	420,940	13,605		854,393	1,288,938	1,122,626
Unrestricted grant-in-aid						
Restricted grants-in-aid	34,375,822			68,849	34,444,671	34,434,176
Federal sources:	78,737	496,749		2,071,085	2,646,570	3,059,445
Grants-in-aid - direct	372,002			2,092	374,095	424,722
Grants-in-aid - subgrants	213,171	2,887,220	\$2,366,792	7,437,447	12,904,630	12,165,359
Total revenues	52,427,067	3,809,390	2,366,792	14,800,046	73,403,295	70,266,078
<b>EXPENDITURES</b>						
Current						
Instruction:						
Regular programs	23,672,932		32,360	1,713,078	25,418,370	23,612,769
Special programs	7,285,543		1,189,047	3,628,556	12,103,146	12,852,099
Vocational programs	885,424			160,029	1,045,453	1,108,496
Adult and continuing education programs	4,502			680,605	685,107	141,367
Other programs	1,578,934		657,090	2,907,090	5,143,114	3,902,466
Support services programs:						
Pupil support services	1,545,958		158,138	1,056,095	2,760,190	2,582,062
Instructional staff services	1,746,486		320,624	435,580	2,502,690	2,383,075
General administration	1,125,047		1,174	83,698	1,209,919	1,209,846
School administration	3,477,680		1,533	154,244	3,633,457	3,244,179
Business services	558,537		1,639	64,891	625,066	566,940
Plant services	4,156,397		5,189	1,266,917	5,428,503	4,810,643
Student transportation services	4,316,268			19,017	4,335,285	4,513,376
Central services	174,188			347	174,535	249,511
Non-Instructional Services:						
Food service operations		3,895,468			3,895,468	3,964,006

The notes to the financial statements are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2011  
(With Comparative Totals For the Year Ended June 30, 2010)

	GENERAL FUND	SCHOOL FOOD SERVICE FUND	ESEA TITLE 1	OTHER GOVERNMENTAL FUNDS	2011 TOTAL	2010 TOTAL
EXPENDITURES (Continued)						
Facilities acquisition and construction services	\$57,158				\$57,158	\$21,003
Debt service:	175,000			\$2,333,000	2,508,000	2,419,000
Principal retirement	55,213			753,653	808,866	898,411
Interest and bank charges						
Total expenditures	50,815,268	\$3,895,468	\$2,366,792	15,256,799	72,334,327	68,479,248
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,611,799	(86,078)		(456,753)	1,058,968	1,786,830
OTHER FINANCING SOURCES (Uses)						
Operating transfers in	639,774	881,819		896,077	2,417,670	2,353,684
Operating transfers out	(1,850,060)			(567,611)	(2,417,670)	(2,353,684)
Compensation for loss of assets						4,163
Total other financing sources (uses)	(1,210,286)	881,819	NONE	328,467	NONE	4,164
NET CHANGE IN FUND BALANCES	401,514	795,741	NONE	(128,286)	1,058,968	1,790,994
FUND BALANCES AT BEGINNING OF YEAR	14,282,226	49,363	NONE	4,817,240	19,148,829	17,357,835
FUND BALANCES AT END OF YEAR	\$14,683,740	\$845,103	NONE	\$4,688,953	\$20,217,796	\$19,148,828

The notes to the financial statements are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2011  
(With Comparative Totals For the Year Ended June 30, 2010)

	2011	2010
	-----	-----
Total net change in fund balances - governmental funds	\$1,068,968	\$1,790,994
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the period:		
Capital outlays	\$68,256	
Depreciation expense	(1,863,756)	(1,851,449)
Repayment of bond/certificates principal and advance refunding is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	2,508,000	2,419,000
In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(26,535)	(2,322)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	88,461	77,185
Net OPEB obligation in the Statement of Activities differs from the amount reported in the governmental funds because OPEB is recognized as an expenditure in the funds on a "pay-as-you-go" basis, and thus requires the use of current financial resources. In the Statement of Activities, however, OPEB obligations are recognized on an actuarial basis that includes the net OPEB obligation on an accrual basis.	(3,933,407)	(3,157,106)
Change in net assets of governmental activities	(\$2,090,013)	(\$723,699)
	=====	=====

The notes to the financial statements are an integral part of this statement.

NATCHITOCHES PARISH SCHOOL BOARD  
 Natchitoches, Louisiana  
 FIDUCIARY FUND - AGENCY FUNDS - SCHOOL ACTIVITY FUNDS

Statement of Fiduciary Assets and Liabilities  
 June 30, 2011  
 (With Comparative Totals, June 30, 2010)

	2011	2010
ASSETS	-----	-----
-----		
Cash and cash equivalents	\$709,931	\$616,977
Receivables	-----	-----
TOTAL ASSETS	\$709,931	\$616,977
	=====	=====
LIABILITIES		
-----		
Accounts payable	\$709,931	\$616,977
Deposits due others	-----	-----
TOTAL LIABILITIES	\$709,931	616,977
	=====	=====

The notes to the financial statements are an integral part of this statement.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
As of and for the Year Ended June 30, 2011

**INTRODUCTION**

The Natchitoches Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Natchitoches Parish. The school board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The school board is comprised of eleven members who are elected from eleven districts for terms of four years.

The school board operates schools within the parish with a total enrollment of approximately 6,800 pupils. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the school board provides transportation and school food services for the students.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Natchitoches Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

**B. REPORTING ENTITY**

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the school board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the school board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The school board also has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the school board has a significant relationship.

**C. FUNDS**

The school board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain school board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the school board are classified into two categories: governmental and fiduciary, as follows:

**Governmental Funds**

Governmental funds account for all or most of the school board's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the school board. The following are the school board's primary governmental funds:

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

**General Fund** -- the general operating fund of the school board and accounts for all financial resources, except those required to be accounted for in other funds.

**Special revenue funds** -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Debt service funds** -- account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

**Capital projects funds** -- account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

The following Governmental Funds are considered major funds:

**General Fund** - accounts for all financial resources, except those required to be accounted for in other funds.

**School Food Service Fund** - accounts for federal, state, and local funds, including fees, to provide meals for students of the school system.

**ESEA Title I** - accounts for federal funds received by the school district, the objective of which is to help local educational agencies and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards and provide assistance to States to ensure that migratory children have the opportunity to meet the same challenging State content and performance standards that all children are expected to meet. The Natchitoches Parish School Board serves as the Local Operating Agency (LOA) under the Louisiana State Plan. The fund includes ESEA Title I (CFDA No. 84.010).

**Fiduciary Fund Type**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the school board. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency fund has no measurement focus, but does use the modified accrual basis of accounting.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Government-Wide Financial Statements** - include the Statement of Net Assets (Statement A) and the Statement of Activities (Statement B). These financial statements report the financial position and results of operations for the school board as a whole. Fiduciary funds are not included at this level, as they are only reported in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Government-Wide Financial Statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues.

**NATCHITOCHE PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

**Allocation of Indirect Expenses** - The school board reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Fund Financial Statements** - governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. Fund financial statements report detailed information about the school board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The school board considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Federal and state entitlements (which includes state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Expenditure driven Federal and state grants are recorded as restricted grants-in-aid when the reimbursable expenditures have been incurred.

Federal commodities are recognized as revenues in the accounting period they are received.

Food service income is recorded when collected. All food services income applicable to an accounting period is collected during the fiscal year.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Taxes are normally collected in December, January, and February of the fiscal year.



**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

Sales and use taxes are recorded in the month collected by the Natchitoches Parish Sales Tax Commission (collection agent) or by the Louisiana Department of Public Safety and Corrections, Public Safety Services.

Interest earnings on time deposits are recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when they are available to the school board.

Based on the above criteria, federal and state entitlements, ad valorem taxes, and sales and use tax are treated as susceptible to accrual by the school board.

**Expenditures**

Salaries are recorded as expenditures when earned. Teacher salaries are earned over a 9-month period, but are paid over a 12-month period.

Purchases of various operating equipment and supplies are recorded as expenditures in the accounting period they are purchased.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Food costs are recognized as expenditures in the period in which the food is consumed.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sale of assets, and proceeds from the sale of bonds are accounted for as other financing sources (uses). These transactions are recognized at the time the underlying events occur.

**Deferred Revenues**

The school board reports deferred revenues on its fund financial statements balance sheet. Deferred revenues arise when resources are received by the school board before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the school board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**E. BUDGETS**

The school board adopts annual budgets on the General Fund and special revenue funds. The proposed budgets are prepared by the director of finance, the superintendent, and the finance committee of the school board during July and/or August of each year. During August and/or September, the availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. At its first meeting in September, the school board holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the results of the public hearing and the desires of the school board as a whole. The budgets are then adopted, and notice is published in the official journal.

**NATCHITOCHE PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

The budgets are prepared on the modified accrual basis of accounting and all appropriations lapse at year end. Encumbrances are not formally recognized within the accounting system for budgetary control purposes; however, outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded. Formal budgetary integration (within the accounting records) is employed as a management control device.

The superintendent of schools is authorized to transfer amounts between line items within a fund; however, when requested by the school board, budgetary comparisons are prepared and presented to the school board during a regular meeting. The school board reviews these comparisons and proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in the school board minutes published in the official journal. Budget amounts included in the accompanying financial statements include the final amended budget amounts.

**F. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those income-producing items with original maturities of usually 90 days or less. Under state law, the school board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the school board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**H. INVESTMENTS**

In accordance with Louisiana Revised Statute (LSA-R.S.) 32:2955, the school board, upon determination of the availability of funds in excess of immediate cash requirements by its treasurer or chief financial officer and in the exercise of prudent judgment, may invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness guaranteed by federal agencies or United States government instrumentalities, provided that such obligations are backed by the full faith and credit of the United States government; and savings accounts and certificates of deposit of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana. Additionally, the school board may invest in mutual or trust fund institutions (limited to 25 per cent of the funds considered available for investment under this section) provided that they are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the investment Act of 1940 and have underlying investments consisting solely of securities of the United States government or its agencies. Investments are stated at fair value.

**I. INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods and services provided or rendered. These receivables and payables are classified as interfund receivables and payables on the fund financial statements but are eliminated for reporting purposes on the government-wide financial statements.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

**J. INVENTORY**

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the school board and commodities granted by the United States Department of Agriculture. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

**K. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The school board maintains a threshold level of \$5,000 or more for capitalizing capital assets for reporting purposes. Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land and construction in progress, are depreciated using a composite group rate which is applied to similar assets for the purpose of calculating depreciation expense. Interest costs on debt used to finance the construction of capital assets are not capitalized.

**L. COMPENSATED ABSENCES**

All 12-month employees earn 10 days of vacation leave each year. Upon separation, all unused vacation leave is forfeited.

All school board employees earn 10 days of sick leave each year. Sick leave for teachers and bus drivers may be accumulated without limitation, while all other employees are limited to 25 days accumulated sick leave. Upon retirement or death, unused sick leave of up to 25 days is paid to the employee (or heirs) at the employee's current rate of pay. Under the Louisiana Teacher's Retirement, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefits computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the school board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six years of continuous service. Sabbatical leave benefits, being restricted in nature as a condition of the leave, are not subject to accrual and are recorded as expenditures in the period paid.

**N. RESTRICTED NET ASSETS**

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either, externally imposed by creditors (such as debt covenants, construction contracts, etc.), grantors, contributors, or laws or regulations of other governments and/or imposed by law through constitutional provisions or enabling legislation.

**O. FUND EQUITY**

Effective for fiscal years ending June 30, 2011, the school board implemented the requirements of GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement provides more clearly defined fund balance categories to make the nature and extent of constraints placed on government's fund balance more transparent. The following classifications describe the relative strength of spending constraints:

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

Nonspendable Fund Balance - amounts that are not in spendable form; i.e., inventory, prepaid expenses, etc.

Restricted Fund Balance - amounts constrained to specific purposes by their providers; i.e., grantors, bondholders, and higher levels of government through constitutional provision or enabling legislation.

Committed Fund Balance - amounts constrained to specific purposes, by the board, using its highest level of decision-making authority. These fund balances can not be used for any other purpose unless the board takes the same highest level action to remove or modify the constraint.

Assigned Fund Balance - amounts the school board intends to use for a specific purpose. Intent is expressed by the board.

Unassigned Fund Balance - amounts that are available for unrestricted expenditure. Positive amounts are reported only in the General Fund.

Beginning fund balances of the school board's governmental funds have been restated to reflect the aforementioned classifications.

The board establishes and/or modifies fund balance commitments by the passage of a ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a commitment of the fund. Assigned fund balances are established by the board through the adoption or amendment of the budget as intended for a specified purpose.

**P. EXTRAORDINARY AND SPECIAL ITEMS**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the school board, which are either unusual in nature or infrequent in occurrence.

**Q. INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**R. SALES TAXES**

The Natchitoches Parish Sales Tax Commission is authorized to collect, within Natchitoches Parish, the following sales and use taxes for the benefit of the Natchitoches Parish School Board:

A one percent (1%) sales and use tax, the proceeds of the tax are dedicated for the operation, maintenance, and upgrading of the public schools in Natchitoches Parish. Effective August 1, 2003, with an expiration date of August 1, 2013.

A one-half of one per cent (1/2%) sales and use tax, the proceeds are dedicated for the payment of salaries and benefits of teachers and other employees of the school system in Natchitoches Parish. Effective July 1, 1996, with no limit as to term and/or duration.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

A one-half of one per cent (1/2%) sales and use tax, the proceeds are dedicated for the payment of salaries and benefits of teachers and other employees of the school system in Natchitoches Parish. Effective July 1, 2004, with no limit as to term and/or duration.

5. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. DEFICIT FUND EQUITY

The following individual funds have deficits in unreserved fund balance (net assets) at June 30, 2011:

<u>Fund</u>	<u>Deficit Amount</u>
Consolidated School District No. 6	\$48,952
Consolidated School District No. 8	199,938

Management has initiated plans to eliminate the aforementioned deficits over the next several school years.

3. CASH AND CASH EQUIVALENTS

At June 30, 2011, the school board has cash and cash equivalents (book balance) as follows:

Governmental Funds

Interest-bearing demand deposits	\$7,475,631
Money market funds	<u>2,115,945</u>
Total Cash and Cash Equivalents - Governmental Funds	<u>9,591,576</u>

Agency Funds

Interest bearing demand deposits	<u>709,931</u>
Total Cash and Cash Equivalents	<u>\$10,301,507</u>

The collected bank balances (cash and cash equivalents). at June 30, 2011, are secured as follows:

<u>Description</u>	<u>Category</u>			<u>Bank</u>	<u>Book</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Balance</u>	<u>Balance</u>
Demand deposits	\$500,000		\$9,696,576	\$10,196,576	\$8,185,562
Money market funds		\$2,115,945		<u>2,115,945</u>	<u>2,115,945</u>
Totals	<u>\$500,000</u>	<u>\$2,115,945</u>	<u>\$9,696,576</u>	<u>\$12,312,521</u>	<u>\$10,301,507</u>

**NATCHITOCHE PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

Category 1 includes cash and cash equivalents that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category 2 includes uninsured and unregistered cash and cash equivalents for which securities are held by the bank's trust department, broker-dealers, or agent in the school board's name. Category 3 includes uninsured and unregistered cash and cash equivalents for which the securities are held by the bank's trust department, broker-dealer, or by its agent but not in the school board's name.

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the school board that the fiscal agent has failed to pay deposited funds upon demand.

#### 4. INVESTMENTS

At June 30, 2011, the school board has the following investments:

Description	Category			Fair
	A	B	C	Value
Government securities	\$16,976,702	NONE	NONE	\$16,976,702

Category A includes investments that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category B includes uninsured and unregistered investments for which securities are held by the broker's or dealer's trust department or agent in the school board's name. Category C includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the school board's name.

#### 5. RECEIVABLES

The receivables at June 30, 2011, are as follows:

Class of Receivable	General Fund	School Food Service Fund	ESEA Title I Fund	Other Governmental Funds	Total
Intergovernmental:					
State grants				\$910,086	\$910,086
Federal grants	\$230,536		\$584,933	1,151,964	1,967,433
Other		\$27,803		3,925	31,728
Totals	\$230,536	\$27,803	\$584,933	\$2,065,975	\$2,909,247

#### 6. ACCOUNTS AND OTHER PAYABLES

The accounts and other payables at June 30, 2011, are as follows:

Classification	General Fund	School Food Service Fund	Title I Fund	Other Governmental Funds	Total
Accounts and related benefits payable	\$127,508	\$19,896	\$2,044	\$712,395	\$861,842
Salaries and withholdings payable	6,926,577	230,307	208,464	690,361	8,055,708
Total	\$7,054,085	\$250,203	\$210,507	\$1,402,756	\$8,917,550

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

7. CAPITAL ASSETS

Governmental capital assets and depreciation activity as of and for the year ended June 30, 2011, is as follows:

	Land	Buildings and Improvements	Furniture and Equipment	Total
Balance, Beginning of Year	\$1,300,290	\$67,645,363	\$3,550,280	72,495,934
Additions			68,256	68,256
Deductions				
Balance, End of Year	\$1,300,290	\$67,645,363	\$3,618,536	\$72,564,190
Less - accumulated depreciation	NONE	(33,417,277)	(2,884,337)	(36,301,614)
Capital assets, net	\$1,300,290	\$34,228,086	\$734,200	\$36,262,576

Depreciation was charged to the governmental functions as follows:

Instruction	\$80,824
Support Services	1,775,840
Food service	7,092
Total depreciation charged to governmental activities	\$1,863,756

8. RETIREMENT SYSTEMS

Substantially all employees of the school board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers Retirement System (TRS); other school employees such as custodial personnel and bus drivers, are members of the Louisiana School Employees Retirement System (LSERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

Teacher's Retirement System of Louisiana (TRS) -- consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The TRS issues a publicly available financial report that includes the financial statements and required supplementary information for the TRS. This report may be obtained by writing the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (504) 925-6646. Employer contributions, \$6,630,935, for the year ended June 30, 2011, \$4,891,702, for the year ended June 30, 2010, and \$4,708,565, for the year ended June 30, 2009, have been submitted in accordance with State law and the requirements of the retirement system.

Louisiana School Employees' Retirement System (LSERS) -- provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The LSERS issues a publicly available financial report that includes the financial statements and required supplementary information for the LSERS. This report may be obtained by writing the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484. Employer contributions, \$404,701, for the year ended June 30, 2011, \$301,696, for the year ended June 30, 2010, and \$320,347, for the year ended June 30, 2009, have been submitted in accordance with State law and the requirements of the retirement system.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

**9. OTHER POSTEMPLOYMENT BENEFITS**

**Post-Retirement Health Care and Life Insurance Benefits**

The Natchitoches Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Natchitoches Parish School Board's employees become eligible for these benefits if they reach normal retirement age while working for the Natchitoches Parish School Board.

These benefits for retirees and similar benefits for active employees are provided through the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the employee and the Natchitoches Parish School Board.

There were approximately 527 retirees participating in the insurance program during this fiscal year.

**Plan Description**

The Natchitoches Parish School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an agent multiple-employer plan for financial reporting purposes and for this valuation.

The OGB "Medicare Advantage" plan has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service.

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 50% of the cost of the retiree life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

A financial report may be obtained by writing to Office of Group Benefits, 7389 Florida Boulevard, Suite 400, Baton Rouge, Louisiana 70806.

**Contribution Rates**

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents of the OGB, available at [www.groupbenefits.org](http://www.groupbenefits.org) - "Quick Links"- "Health Plans".

**Funding Policy**

Until June 30, 2009, The Natchitoches Parish School Board recognized the cost of providing post-employment medical and life benefits (Natchitoches Parish School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the postemployment benefits on a pay-as-you-go basis. In 2007-2008, Natchitoches Parish School Board's portion of health care and life insurance funding cost for retired employees totaled \$3,246,828.

Effective with the Fiscal Year beginning July 1, 2008, Natchitoches Parish School Board prospectively implemented Government Accounting Standards Board Statement Number 45 (GASB 45), Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions.

The Office of Group Benefits has sole authority over the plans and informs the School Board and plan members of their obligation in funding the plans.



**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

**Annual Required Contribution**

Natchitoches Parish School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total "ARC" for the fiscal year beginning July 1, 2010 is \$8,678,200, for medical and life, as set forth below:

	Medical & Life
Normal cost	\$3,480,200
30-year UAL amortization amount (including interest)	4,847,700
Annual required contribution (ARC)	<u>\$8,327,900</u>

The table below shows Natchitoches Parish School Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2011:

	Medical & Life
Beginning Net OPEB Obligation (Asset)	\$10,425,143
Annual Required Contribution (ARC)	8,327,900
ARC Adjustment	(850,082)
Current year OPEB Cost (net)	7,477,818
Contributions Made	(3,544,411)
Change in Net OPEB Obligation	3,933,407
Ending Net OPEB Obligation (Asset)	<u>\$14,358,550</u>

**Funded Status and Funding Progress**

In the fiscal year ending June 30, 2010, Natchitoches Parish School Board made no contributions to its post-employment benefits plan. The funding status is as follows:

Actuarially accrued liability (AAL) - medical & life	\$120,399,900
Actuarial value of plan assets	NONE
Unfunded actuarial accrued liability (UAAL)	\$120,399,900
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$22,478,700
UAAL as a percentage of covered payroll	536%

Actuarial accrued liability is defined as that portion, as determined by a particular actuarial cost method (Natchitoches Parish School Board uses the Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2010-2011, the entire actuarial accrued liability was unfunded.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

The schedule of funding progress presented as required supplemental information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The following table shows school board's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability, assuming a 4.00% discount rate (without prefunding), compounded annually:

Post- Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
Medical & life	06/30/2011	\$7,477,818	47.0%	\$14,358,550
Medical & life	06/30/2010	\$6,667,242	53.0%	\$10,425,143
Medical & life	06/30/2009	\$10,689,158	32.0%	\$7,268,037

**Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by Natchitoches Parish School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Natchitoches Parish School Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between Natchitoches Parish School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method**

The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

**Turnover Rate**

Withdraw rates are based on which pension system the employee is a member. At June 30, 2011, approximately 60 employees were members of the Louisiana School Employees Retirement System with the remaining employees being members of the Teachers Retirement System of Louisiana. Detailed information of the rates for each age group within each retirement system are presented in the Actuarial Valuation Report of the State of Louisiana - Post-Retirement Benefit Plan for the Office of Group Benefits, dated April 2011. A copy of the report may be obtained by writing to Office of Group Benefits, 7389 Florida Boulevard, Suite 400, Baton Rouge, Louisiana 70806.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

**Post-employment Benefit Plan Eligibility Requirements**

It is assumed that entitlement to benefits will commence five years after earliest eligibility to enter the D.R.O.P. This consists of a three year D.R.O.P. period plus an additional two year delay. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. Entitlement to benefits continue through Medicare to death. Investment Return Assumption (Discount Rate) GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long-term return of a balanced and conservative investment portfolio under professional management.

**10. LONG-TERM LIABILITIES**

The following is a summary of the long-term liability transactions for the year ended June 30, 2011:

	Bonds and Certificates of Indebtedness	Compensated Absences	Other Post Employment Benefits	Total
Long-term debt payable, beginning of year	\$19,924,000	\$1,845,202	\$10,425,143	\$32,194,345
Additions		26,535	7,477,818	7,504,353
Deductions	(2,508,000)		(3,544,411)	(6,052,411)
Long-term debt payable, end of year	\$17,416,000	\$1,871,738	\$14,358,550	\$33,646,287
Long-term Liabilities				
Due within one year	\$2,611,000	\$467,934	\$3,510,136	\$6,589,070
Due in more than one year	14,805,000	1,403,803	10,848,414	27,057,217
Total	\$17,416,000	\$1,871,738	\$14,358,550	\$33,646,287

The individual issues, which are serial bonds, payable from their respective school district debt service funds and certificates of indebtedness, payable from the General Fund, are as follows:

Description	Original Issue	Interest Rates %	Final Payment Date	Interest To Maturity	Principal Outstanding
Consolidated School District No. 7: February 25, 2003	\$5,250,000	2.000 - 3.875	01-Mar-2014	\$96,269	\$1,395,000
August 1, 2003	8,000,000	3.650 - 7.000	01-Mar-2023	1,880,740	5,780,000
Consolidated School District No. 8 October 29, 2002	1,000,000	.1000 - 5.000	01-Mar-2012	6,300	126,000
School District 9: September 7, 2005	13,080,000	3.000 - 5.000	01-Mar-2017	1,081,135	7,885,000
June 25, 2009	1,250,000	3.000 - 5.000	25-Jun-2017	75,843	820,000
Total Bonded Debt	28,580,000			3,140,287	16,006,000
General Fund - Certificates of Indebtedness - April 30, 2003	2,545,000	3.680 - 3.690	01-Sep-2017	189,814	1,410,000
Total Bonds and Certificates	\$31,125,000			\$3,330,101	\$17,416,000

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

Principal and interest requirements of the bonded debt are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. Principal and interest requirements of the certificates of indebtedness are funded through the General Fund. The bonds and certificates of indebtedness are due as follows:

Bonds and Certificates of Indebtedness	Principal Payments	Interest Payments	Total
Year Ended June 30:			
2012	2,611,000	718,068	3,329,068
2013	2,610,000	605,027	3,215,027
2014	2,460,000	491,033	2,951,033
2015	2,255,000	400,600	2,655,600
2016-2020	5,695,000	940,761	6,635,761
2021-2023	1,785,000	174,613	1,959,613
Total	\$17,416,000	\$3,330,101	\$20,746,101

In accordance with R.S. 39:562, the school board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2011, the statutory limit is \$103,649,412 and the outstanding bonded debt totals \$3,140,287.

**Bonded Debt - Defeasance**

The school board defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the school board's financial statements. On June 30, 2011, a total of \$14,215,000 of bonds outstanding are considered defeased.

**11. INTERFUND RECEIVABLES/PAYABLES**

Interfund receivables/payables, reported on the fund financial statements are as follows:

Fund	Interfund	
	Receivable	Payable
General Fund	\$1,900,186	
Title I Fund		416,146
Other Governmental Funds		1,484,041
Total	\$1,900,186	\$1,900,186

**12. RISK MANAGEMENT**

The school board is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. With respect to the aforementioned risks, with the exception of property losses below the policy deductibles, and for injuries to employees (worker's compensation), the school board has obtained commercial insurance, and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana  
Notes to the Basic Financial Statements  
(Continued)

With respect to injuries to employees (worker's compensation), the school board has initiated a risk management program for workers' compensation insurance. Operation of this program is accounted for within the General Fund and funds are available to pay claims, claim reserves, and administrative costs of the program. An excess coverage insurance policy covers claims in excess of \$200,000 with an aggregate limit of \$1,000,000. Interfund premiums are based primarily on the individual funds' payroll and are reported as expenditures in the individual funds.

**13. PERFORMANCE-BASED ENERGY EFFICIENCY CONTRACT**

In prior years, the School Board entered into an energy performance contract with Trane, Inc. (Energy Service Company or ESCO) for the purpose of the purchase and installation of an energy saving scope of work. ESCO installed equipment designed to save energy and reduce related costs for certain property and buildings owned by the School Board.

The Louisiana Attorney General issued an opinion (A. G. Opinion Number 07-0002) regarding a similar contract with another school board and concluded that because the operational stipulated savings are not guaranteed by the contractor, the contract does not meet the statutory definition of a performance-based energy efficiency contract.

The contractor sued the other school board in the 18th Judicial District Court for payment relating to the contract. The court found for the School Board and determined that the contract was not fully guaranteed and was found to be null and void. The contractor has appealed to the First Circuit Court of Appeal, writ denied and the Louisiana Supreme Court, writ denied.

The contract of the Natchitoches Parish School Board, in addition to the operational stipulated savings clause, the contract also contains a verifiable (measured) energy savings clause. The School Board entered into the contract based solely on the savings provided by the verifiable (measured) energy savings clause without consideration for the amount of the stipulated savings clause. Management of the School Board determined that their verifiable (measured) savings is more than the annual payments being made, and they will continue to monitor the outcome of the court case and related information.

**REQUIRED SUPPLEMENTAL INFORMATION**

**PART II**

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
GOVERNMENTAL FUND - GENERAL FUND

Budgetary Comparison Schedule  
For the Year Ended June 30, 2011

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	NONE	\$14,282,226	\$14,282,226	NONE
Resources (inflows)				
Local sources	14,400,000	\$15,349,958	\$17,387,335	2,037,377
State sources	36,000,000	31,679,699	34,454,559	2,774,860
Federal sources	450,000	575,201	585,173	9,972
Other financing sources	450,000	790,934	639,774	(151,160)
Amounts available for appropriations	51,300,000	62,678,018	67,349,068	4,671,050
Charges to appropriations (outflows)				
Current:				
Instructional programs	33,855,366	30,192,441	33,427,336	(3,234,895)
Support services programs	17,209,634	15,700,493	17,100,561	(1,400,068)
Facilities acquisition and construction	10,000	8,342	57,158	(48,816)
Principal, interest and bank charges	225,000	230,213	230,213	
Other financing uses		1,500,355	1,850,060	(349,705)
Total charges to appropriations	51,300,000	47,631,844	52,665,328	(5,033,484)
BUDGETARY FUND BALANCES - ENDING	NONE	\$15,046,174	\$14,683,740	(\$362,435)

See independent auditor's report.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
GOVERNMENTAL FUND - SCHOOL LUNCH FUND

Budgetary Comparison Schedule  
For the Year Ended June 30, 2011

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	NONE	\$49,363	\$49,363	NONE
Resources (inflows)				
Local sources	429,907	\$430,449	425,421	(5,028)
State sources	551,310	551,310	496,749	(54,561)
Federal sources	2,670,104	2,724,668	2,887,220	162,552
Operating transfers in	451,436	1,589,842	881,819	(708,023)
Amounts available for appropriations	4,102,757	5,345,632	4,740,572	(605,060)
Charges to appropriations (outflows)				
Current - non-instructional programs	4,102,757	5,241,708	3,895,468	1,346,240
Total charges to appropriations	4,102,757	5,241,708	3,895,468	1,346,240
BUDGETARY FUND BALANCES - ENDING	NONE	\$103,924	\$845,103	\$741,180

See independent auditor's report.



NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
ESEA TITLE I FUND

Budgetary Comparison Schedule  
For the Year Ended June 30, 2011

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	NONE	NONE	NONE	NONE
Resources (inflows)				
Federal sources	\$3,044,490	\$3,376,347	\$2,366,792	(\$1,009,555)
Operating transfers in			611,046	611,046
Amounts available for appropriations	3,044,490	3,376,347	2,977,838	(398,509)
Charges to appropriations (outflows)				
Current:				
Instructional programs	2,073,804	2,321,564	1,878,496	443,068
Support services programs	764,052	811,751	488,296	323,455
Other financing uses	206,634	243,032	611,046	(368,014)
Total charges to appropriations	3,044,490	3,376,347	2,977,838	398,509
BUDGETARY FUND BALANCES - ENDING	NONE	NONE	NONE	NONE

See independent auditor's report.

NATCHITOCHES PARISH SCHOOL BOARD  
 Natchitoches, Louisiana  
 Retiree Healthcare Plan  
 June 30, 2011

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2011	\$0	\$120,339,900	\$120,339,900	0.00%	\$22,478,700	536%
June 30, 2011	\$0	\$123,131,800	\$123,131,800	0.00%	\$22,441,700	549%
June 30, 2010	\$0	146,522,845	146,522,845	0.00%	24,159,904	606%

See independent auditor's report.

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**

As of and For the Year Ended June 30, 2011

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**SCHOOL ACTIVITY FUND**

The School Activity Agency Fund accounts for monies generated by the schools and organizations within the schools of the parish. While these accounts are under the supervision of the school board, they belong to the individual schools or their student bodies and are not available for use by the school board.

NATCHITOCHES PARISH SCHOOL BOARD  
 Natchitoches, Louisiana  
 FIDUCIARY FUND TYPE - AGENCY FUNDS - SCHOOL ACTIVITY FUNDS

Combining Schedule of Changes in Deposit Balances  
 For the Year Ended June 30, 2011

SCHOOL ACTIVITY FUNDS	BALANCE JUNE 30, 2010	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2011
Cloutierville	\$25,358	\$23,359	(\$31,994)	\$16,723
East Natchitoches Junior High	36,382	52,866	(48,440)	40,808
Educational Center	24	2,487	(2,476)	35
Fairview-Alpha Elementary	11,571	89,054	(100,047)	578
Goldonna Elementary	22,394	58,218	(55,461)	25,151
Lakeview High	15,008	205,317	(194,760)	25,565
Marthaville Elementary	17,994	78,101	(68,805)	27,290
Natchitoches Central High	199,569	768,910	(706,844)	261,635
Natchitoches Magnet	47,703	104,931	(98,502)	54,132
L.P. Vaughn Elementary	22,761	44,890	(39,940)	27,711
Northwestern Elementary Laboratory	62,075	113,054	(115,225)	59,904
Northwestern Middle Laboratory	43,917	127,556	(109,416)	62,057
Parks Elementary	9,523	28,084	(26,479)	11,128
Provencal Elementary	64,292	113,682	(117,048)	60,926
Weaver Elementary	38,406	67,065	(69,183)	36,288
Total	\$616,977	\$1,877,574	(\$1,784,620)	\$709,931

See independent auditor's report.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2011

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the school board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The compensation of the school board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the school board members have elected the monthly payment method of compensation. Under this method, the members of the school board receive \$650 per month. In addition, the president receives \$50 per month for exercising the duties of the office.

BOARD MEMBER	AMOUNT
-----	-----
Benefield Jr., Billy J.	\$3,900
Bienvenu, Millard J.	3,900
Dainels, Carroll	8,100
Danzy, Russell E.	3,900
Graham, Henry D.	7,800
Hildebrand, Julia	1,200
Hilton, Michael W.	3,900
Jones, Patrick G.	1,300
Masson, Donna	2,275
McAlexander, Pamela C.	3,900
Means, Carl L., Sr.	3,900
Melder, Thomas G.	3,900
Metoyer, Emile E.	3,900
Rachal, William C.	3,900
Rhymes, George C.	3,900
Walker, Cecil H.	7,800
Wilson, Joella	8,100
Wilson, Ralph D.	7,800
	-----
Total	\$83,375
	=====

Notes:

Julia Hildebrand was replaced by George C. Rhymes. Billy J. Benefield, Jr. was replaced by Michael W. Hilton. Millard J. Bienvenu was replaced by Thomas G. Melder. Pamela C. Alexander was replaced by Carl L. Means, Sr. William C. Rachal was replaced by Russell E. Danzy. Emile E. Metoyer was replaced by Patrick G. Jones. Patrick G. Jones was replaced by Donna Masson.

See independent auditor's report.

**OTHER REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The reports are based solely on the audit of the general purpose financial statements.

**HERBIE W. WAY**  
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

I have audited the financial statements of Natchitoches Parish School Board as of and for the year ended June 30, 2011, and have issued my report thereon dated December 14, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the school board's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the internal control over financial reporting.

A deficiency in control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the school board's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. Although not considered to be a material area of noncompliance, I communicated the following to management of the school board:

2011-1      **DEFICIT FUND BALANCES** -- the following Nonmajor Special Revenue Funds had deficit fund balances at June 30, 2011:

<u>Fund</u>	<u>Deficit Amount</u>
Consolidated School District No. 6	\$48,952
Consolidated School District No. 8	199,938

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
GAO Compliance Report  
(Continued)

This is a repeat finding as it relates to Consolidated School District 6 and 8, which have reported steadily increasing fund deficits from the previous years. The previous year fund deficit of Consolidated School District No. 10 has been eliminated.

Management is aware of the condition reported previously, and is monitoring the expenditures in an attempt to eliminate these deficits.

2011-2      **Budget Compliance** -- actual expenditures of the General Fund exceeded budgeted expenditures by approximately 10%. Louisiana law requires that the budget of all funds be monitored and amended when actual expenditures are exceeding budgeted expenditures by 5% or more.

Additionally, actual revenues of the School Food Service Fund were less than budgeted revenues by approximately 13%. Louisiana law requires that the budget of all funds be monitored and amended when actual revenues are less than budgeted revenues by 5% or more.

Management should monitor all budgets on a monthly basis and, as necessary to comply with Louisiana law, prepare and authorize appropriate budget amendments.

Management has provided assurances that future budgets will be monitored to ensure compliance with Louisiana law.

**Prior Year Audit Findings**

The audit for the year ended June 30, 2010, disclosed no instances of noncompliance that were required to be reported under *Government Auditing Standards* or matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.

The report contained the following findings not considered to be material areas of noncompliance:

2010-1 - Deficit fund balances - where the expenditures, of Consolidated School District Nos. 6 and 8 exceeded available fund balances. This finding has not been resolved and has been addressed above as 2011-1. The previous year fund deficit of Consolidated School District No. 10 has been eliminated.

2010-2 - Budget Compliance - the originally adopted and final amended budget of the School Food Service Fund were adopted with deficit fund balances. This finding has been resolved by management.

**General**

This report is intended for the information of the audit committee, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
December 14, 2011



**OTHER REPORTS REQUIRED BY  
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133**

The following pages contain reports on the schedule of federal financial assistance, consideration of internal control, and compliance with laws and regulations required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the *Single Audit Act*, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT  
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

I have audited Natchitoches Parish School Board's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Natchitoches Parish School Board's major federal programs for the year ended June 30, 2011. Natchitoches Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Natchitoches Parish School Board's management. My responsibility is to express an opinion on the Natchitoches Parish School Board's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the school board's compliance with those requirements and performing other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Natchitoches Parish School Board's compliance with those requirements.

In my opinion, the Natchitoches Parish School Board complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

**Internal Control over Compliance**

Management of the Natchitoches Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the Natchitoches Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the school board's internal control over compliance.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
A-133 Report  
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in the internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the school board's audit committee, management, others within the entity, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and, is not intended to be, and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
December 14, 2011

**NATCHITOCHE PARISH SCHOOL BOARD**  
**Natchitoches, Louisiana**

**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2011**

Natchitoches Parish School Board  
Natchitoches, Louisiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2011

GRANTOR AGENCY	CFDA NUMBER	PASS THROUGH GRANT NUMBER	ISSUES/ EXPENDITURES
United States Department of Agriculture			
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution Program	10.550		\$75,550
Passed through Louisiana Department of Education: School Breakfast Program	10.553		749,267
National School Lunch Program	10.555		2,009,504
Summer Food Service Program for Children	10.559		51,805
Team Nutrition Grants	10.574		1,093
Subtotal - Child Nutrition Cluster			2,811,670
Passed through Louisiana Division of Administration - Schools and Roads - Grants to States	10.665		213,171
Total United States Department of Agriculture			3,100,391
United States Department of Education			
Direct Program - Impact Aid	84.041		2,092
Passed through Louisiana Department of Education: Adult Education - State Grant Program	84.002	482110	57,065
Title I Grants to Local Educational Agencies	84.010	2811T135	2,366,792
Migrant Education - State Grant Program	84.011	2811M135/2810M135/2810M135	249,498
Special Education - Grants to States	84.027	28113135	1,775,833
Vocational Education - Basic Grants to States	84.048	28110235	97,985
Migrant Education-State Grant Program	84.144	2810M135C	25,817
Special Education - Preschool Grants	84.173	2811P135	67,436
Safe and Drug-Free Schools and Communities - State Grants	84.186	28117035	19,346
Even Start - State Educational Agencies	84.213	2810F135C/281F135/2811F335	128,397
21st Century Learning Centers	84.287	2810C635	484,095
Innovative Education Program Strategies	84.298		0
Education Technology State Grants	84.318	28104935/284935C	18,365
Comprehensive School Reform Demonstration	84.332		0
Rural Education	84.358	2810RE35/2810RE35C/2811RE35	168,364
ESEA Title III	84.365		0
Teacher and Principal Training	84.367	28115035	633,931
School Improvement Grants	84.377	2810TA35	582,918
Education Technology-State Grants (AARA)	84.386	2809S935C	25,204
Special Education-Grants to States (AARA)	84.391	2810B135	1,012,751
Special Education-Preschool Grants (AARA)	84.392		37,298
Independent Living-State Grants (AARA)	84.398	2810T135	1,033,791
Total United States Department of Education			8,786,979
United States Department of Health and Human Services			
Passed through the Louisiana Department of Education: Temporary Assistance for Needy Families	93.558	28110235	848,542
State Children's Insurance Fund	93.767		133
Hurricane Relief	93.776		126
Preventive Health and Health Services Block Grant	93.991		170,552
Total United States Department of Health and Human Services			1,019,353
United States Department of Interior			
Direct Programs: Timber Sales	15.000		37,272
Payments in Lieu of Taxes	15.226		227,876
Total United States Department of Interior			265,148
United States Department of Defense			
Direct Program - ROTC	12.000		106,855
Total Federal Financial Assistance			\$13,278,725

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**NATCHITOCHES PARISH SCHOOL BOARD**  
 Natchitoches, Louisiana

**Section 1 - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued.	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified not considered a material weakness?	No
Noncompliance material to the financial statements noted?	No

**Federal Awards**

The Schedule of Expenditures of Federal Awards has been prepared on the modified accrual basis of accounting which is consistent with the basis of accounting used in reporting the Governmental Funds financial statements.

The Food Distribution Program (CFDA No. 10.550) is a non-cash food commodity program.

Internal Control over major programs:

Material weakness identified?	No
Reportable condition identified not considered to be a material weakness?	No
Type of auditor's report issued on compliance for major programs.	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 Section 510(a)?	No

The following were assessed as major programs of the school board:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Schools and Roads-Grants to States	10.665
Payments in Lieu of Taxes	15.226
Title I Grants to Local Educational Agencies	84.010
Migrant Education-State Grant Program	84.011
21st Century Learning Centers	84.287
Special Education Grants to States (AARA)	84.391

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs  
(Continued)

Dollar threshold used to distinguish between Type A and Type B Programs.	\$398,362
Auditee qualified as low risk auditee?	Yes

**Section II - Financial Statement Findings**

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Section III - Federal Award Findings and Questioned Costs**

The audit disclosed no findings or questioned costs relating to expenditure of Federal Awards.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
December 14, 2011

**NATCHITOCHEs PARISH SCHOOL BOARD**  
**Independent Accountant's Report On Applying Agreed-Upon Procedures**  
**For the Year Ended June 30, 2011**



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**INDEPENDENT ACCOUNTANT'S REPORT**

**NATCHITOCHES PARISH SCHOOL BOARD**  
Natchitoches, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Natchitoches Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Natchitoches Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. My procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

*General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule I)*

I selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

Total General Fund Instructional Expenditures,

Total General Fund Equipment Expenditures,

Total Local Taxation Revenue,

Total Local Earnings on Investment in Real Property,

Total State Revenue in Lieu of Taxes,

Nonpublic Textbook Revenue, and

Nonpublic Transportation Revenue.

Findings - None.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Independent Accountant's Report  
(Continued)

Education Levels of Public School Staff (Schedule II)

I reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule IV) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

I reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule IV) to the combined total of principals and assistant principals per this schedule.

I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. I traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Findings - None.

Number and Type of Public Schools (Schedule III)

I obtained a list of schools by type as reported on the schedule. I compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application.

Findings - None.

Experience of Public Principals and Full-time Classroom Teachers (Schedule IV)

I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Findings - None.

Public Staff Data (Schedule V)

I obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule. I recalculated the average salaries and full-time equivalents reported in the schedule.

Findings - None.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Independent Accountant's Report  
(Continued)

Class Size Characteristics (Schedule VI)

I obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. I then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Findings - None.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule VII)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

Findings - None.

The Graduation Exit Exam for the 21st Century (Schedule VIII)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

Findings - None.

The Iowa/iLEAP Tests (Schedule IX)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

Findings - None.

General

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana  
Independent Accountant's Report  
(Continued)

This report is intended solely for the use of management of Natchitoches Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
December 14, 2011

**NATCHITOCHES PARISH SCHOOL BOARD  
NATCHITOCHES, LOUISIANA**

**SCHEDULES OF PERFORMANCE MEASURES  
FOR THE YEAR ENDED JUNE 30, 2011**

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2011

General Fund Instructional and Equipment Expenditures  
-----

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$20,417,159
Other Instructional Staff Activities	2,436,143
Employee Benefits	7,115,916
Purchased Professional and Technical Services	262,193
Instructional Materials and Supplies	202,239
Instructional Equipment	

Total Teacher and Student Interaction Activities	-----	\$30,433,650
--	-------	--------------

Other Instructional Activities		NONE
--------------------------------	--	------

Pupil Support Activities	1,340,722	
Less: Equipment for Pupil Support Services	NONE	
	-----	
Net Pupil Support Activities		1,340,722

Instructional Staff Services	1,106,550	
Less: Equipment for Instructional Staff Services	NONE	
	-----	
Net Instructional Staff Services		1,106,550

School Administration	1,331,805	
Less: Equipment for School Administration	NONE	
	-----	
Net School Administration		1,331,805

Total General Fund Instructional Expenditures		\$34,212,727
---	--	--------------

=====

Total General Fund Equipment Expenditures		NONE
---	--	------

=====

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2011

Certain Local Revenue Sources  
-----

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$977,967
Renewable Ad Valorem Taxes	3,007,641
Debt Service Ad Valorem Taxes	2,779,483
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	218,249
Sales and Use Taxes	13,319,148
	-----
Total Local Taxation Revenue	\$20,302,488
	=====

Local Earnings on Investment in Real Property:

Earnings from 16th Section Land	\$474,078
Earnings from Other Real Property	
	-----
Total Local Earnings on Investment in Real Property	\$474,078
	=====

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$70,654
Revenue Sharing - Other Taxes	142,237
	-----
Total State Revenue in Lieu of Taxes	\$212,891
	=====

Nonpublic Textbook Revenue	\$4,681
	=====

Nonpublic Transportation Revenue	NONE
	=====

See accountant's report.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Education Levels of Public School Staff  
As of October 1, 2010

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certified Number	Percent	Uncertified Number	Percent	Certified Number	Percent	Uncertified Number	Percent
Less than a Bachelor's Degree			2	100.0%				
Bachelor's Degree	310	65.5%						
Master's Degree	117	24.7%			10	38.5%		
Master's Degree + 30	38	8.0%			13	50.0%		
Specialist in Education	7	1.5%			2	7.7%		
Ph. D. or Ed. D.	1	0.2%			1	3.8%		
Total	473	100.0%	2	100.0%	26	100.0%	N/A	N/A

See accountant's report.

(UNAUDITED)



NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Number and Type of Public Schools  
For the Year Ended June 30, 2011

Type	Number
-----	-----
Elementary	10
Middle/Jr. High	2
Secondary	2
Combination	1
	-----
Total	15
	=====

Note: Schools opened or closed during the fiscal year are included.

See accountant's report.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Experience of Public Principals and  
Full-time Classroom Teachers  
As of October 1, 2010

Type	0-1 YEAR	2-3 YEARS	4-10 YEARS	11-14 YEARS	15-19 YEARS	20-24 YEARS	25+ YEARS	Total
Assistant Principals			1	2	5	1		9
Principals	1		1	2	4	2	7	17
Classroom Teachers	61	30	120	73	55	46	90	475
Total	62	30	122	77	64	49	97	501

See accountant's report.

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Public School Staff Data  
As of June 30, 2011

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retiree
Average Classroom Teachers' Salary Including Extra Compensation	\$50,664	\$50,190
Average Classroom Teachers' Salary Excluding Extra Compensation	\$50,105	\$49,640
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	474.0	456.0

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Class Size Characteristics  
As of October 1, 2010

School Type	Class Size Range			
	1 - 20	21 - 26	27 - 33	34+
	Percent Number	Percent Number	Percent Number	Percent Number
Elementary	64.03%	30.47%	4.41%	1.08%
Elementary Activity Classes	92	366	53	13
Middle/Junior High	22.84%	30.94%	8.29%	9.94%
Middle/Junior High Activity Classes	37	78	47	18
Combination	30.77%	15.38%	26.92%	26.92%
Combination Activity Classes	8	4	7	7
	68.02%	15.93%	15.16%	0.88%
	142	6	4	8
		3.90%	2.60%	1.30%
				2

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Louisiana Educational Assessment Program  
(LEAP) for the 21st Century  
For the Year Ended June 30, 2011

District Achievement Level Results		English Language Arts				Mathematics			
		2011	2010	2009		2011	2010	2009	
Students:		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4									
Advanced		24	4.01%	23	2.16%	12	2.53%	39	6.52%
Mastery		85	14.21%	82	14.39%	80	14.00%	98	16.39%
Basic		243	40.64%	220	44.78%	249	39.29%	215	35.95%
Approaching Basic		138	23.08%	128	20.86%	116	23.44%	114	19.06%
Unsatisfactory		108	18.06%	131	17.81%	99	20.74%	132	22.07%
Total		598	100.00%	584	100.00%	556	100.00%	598	100.00%

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Louisiana Educational Assessment Program  
(LEAP) for the 21st Century  
For the Year Ended June 30, 2011

District Achievement Level Results	Science				Social Studies			
	2011	2010	2009	2011	2010	2009	2011	2009
Students:	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>								
Advanced	16	2.67%	7	1.20%	15	2.70%	21	3.51%
Mastery	62	10.35%	54	9.25%	52	9.37%	62	10.35%
Basic	218	36.39%	219	37.50%	220	39.64%	240	40.07%
Approaching Basic	183	30.55%	193	33.05%	166	29.91%	142	23.71%
Unsatisfactory	120	20.03%	111	19.01%	102	18.38%	134	22.37%
Total	599	100.00%	584	100.00%	555	100.00%	599	100.00%

See accountant's report.

(UNAUDITED)

Louisiana Educational Assessment Program  
(LEAP) for the 21st Century  
For the Year Ended June 30, 2011

District Achievement Level Results		English Language Arts				Mathematics			
		2011		2010		2011		2010	
Students: Grade 8		Number	Percent	Number	Percent	Number	Percent	Number	Percent
	Advanced	14	3.03%	15	3.09%	1	0.22%	21	4.33%
	Mastery	92	19.91%	54	11.11%	51	10.99%	19	4.74%
	Basic	179	38.74%	178	36.63%	193	41.59%	235	39.18%
	Approaching Basic	143	30.95%	180	37.04%	166	35.78%	114	28.04%
	Unsatisfactory	34	7.36%	59	12.14%	53	11.42%	74	23.71%
Total		462	100.00%	485	100.00%	454	100.00%	463	100.00%
								485	100.00%
								464	100.00%

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Louisiana Educational Assessment Program  
(LEAP) for the 21st Century  
For the Year Ended June 30, 2011

District Achievement Level Results	Science				Social Studies			
	2011		2010		2011		2010	
Students:	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advanced	3	0.65%	4	0.82%	6	1.30%	4	0.82%
Proficient	60	12.99%	44	9.07%	45	9.74%	37	7.63%
Basic	162	35.06%	153	31.55%	178	38.53%	183	37.73%
Approaching Basic	136	29.44%	161	33.20%	158	34.20%	132	27.22%
Unsatisfactory	101	21.86%	123	25.36%	75	16.23%	129	26.60%
Total	462	100.00%	485	100.00%	462	100.00%	485	100.00%

See accountant's report.

(UNAUDITED)



NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Graduation Exit Examination (GEE)  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students:												
Grade 10												
Advanced		0.00%	4	1.10%	1	0.33%		0.00%	21	5.75%	20	6.67%
Proficient		0.00%	49	13.54%	21	7.02%		0.00%	51	13.97%	33	11.00%
Basic	5	17.86%	157	43.37%	144	48.16%	5	14.71%	146	40.00%	142	47.33%
Approaching Basic	8	28.57%	105	29.01%	93	31.10%	13	38.24%	76	20.82%	64	21.33%
Unsatisfactory	15	53.57%	47	12.98%	40	13.38%	16	47.06%	71	19.45%	41	13.67%
Total	28	100.00%	362	100.00%	299	100.00%	34	100.00%	365	100.00%	300	100.00%

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Graduation Exit Examination (GEE)  
For the Year Ended June 30, 2011

District Achievement Level Results	Science						Social Studies					
	2011			2010			2011			2010		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students:												
Grade 11												
Advanced		0.00%	7	2.48%	9	3.05%		0.00%	2	0.71%	1	0.34%
Mastery		0.00%	33	11.70%	41	13.90%		0.00%	17	6.03%	22	7.48%
Basic		0.00%	115	40.78%	132	44.75%		0.00%	151	53.55%	152	51.70%
Approaching Basic	7	28.00%	80	28.37%	68	23.05%	5	20.00%	67	23.76%	67	22.79%
Unsatisfactory	18	72.00%	47	16.67%	45	15.25%	20	80.00%	45	15.96%	52	17.69%
Total	25	100.00%	282	100.00%	295	100.00%	25	100.00%	282	100.00%	294	100.00%

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	2009		2009		2009		2009	
<b>Grade 3</b>								
Advanced	10	2%	37	7%	17	3%	7	1%
Mastery	91	18%	77	15%	69	13%	92	18%
Basic	181	35%	176	34%	169	33%	198	38%
Approaching Basic	127	25%	113	22%	172	33%	114	22%
Unsatisfactory	108	21%	114	22%	90	17%	105	20%
Total	517	100%	517	100%	517	100%	516	100%
<b>Grade 5</b>								
Advanced	15	3%	33	7%	23	5%	15	3%
Mastery	72	15%	60	12%	73	15%	64	13%
Basic	182	37%	195	40%	161	33%	214	43%
Approaching Basic	139	28%	98	20%	154	31%	114	23%
Unsatisfactory	85	17%	107	22%	82	17%	86	17%
Total	493	100%	493	100%	493	100%	493	100%

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009	2009	2009	2009	2009	2009	2009	2009
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	7	2%	27	6%	10	2%	6	1%
Mastery	56	13%	57	13%	50	12%	28	6%
Basic	212	49%	214	49%	174	40%	206	48%
Approaching Basic	109	25%	66	15%	147	34%	131	30%
Unsatisfactory	50	12%	69	16%	51	12%	60	14%
<b>Total</b>	<b>434</b>	<b>100%</b>	<b>433</b>	<b>100%</b>	<b>432</b>	<b>100%</b>	<b>431</b>	<b>100%</b>
<b>Grade 7</b>								
Advanced	13	3%	19	4%	10	2%	2	0%
Mastery	56	11%	36	7%	59	11%	56	11%
Basic	191	37%	208	41%	180	35%	217	42%
Approaching Basic	168	33%	118	23%	156	30%	152	30%
Unsatisfactory	86	17%	132	26%	109	21%	86	17%
<b>Total</b>	<b>514</b>	<b>100%</b>	<b>513</b>	<b>100%</b>	<b>514</b>	<b>100%</b>	<b>513</b>	<b>100%</b>

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

	English Language Arts		Mathematics	
	2009		2009	
District Achievement Level Results	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	9	2%	15	4%
Mastery	44	11%	35	9%
Basic	202	50%	189	46%
Approaching Basic	118	29%	98	24%
Unsatisfactory	35	9%	72	18%
<b>Total</b>	<b>408</b>	<b>100%</b>	<b>409</b>	<b>100%</b>

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

	English Language Arts		Mathematics		Science		Social Studies	
	2010	2010	2010	2010	2010	2010	2010	2010
District Achievement Level Results	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	18	3%	33	6%				
Mastery	73	13%	83	15%				
Basic	199	35%	188	34%				
Approaching Basic	143	25%	138	25%				
Unsatisfactory	128	23%	119	21%				
Total	561	100%	561	100%	N/A	N/A	N/A	N/A
Grade 5								
Advanced	13	3%	26	5%				
Mastery	65	14%	40	8%				
Basic	183	39%	220	46%				
Approaching Basic	120	25%	86	18%				
Unsatisfactory	94	20%	102	22%				
Total	475	100%	474	100%	N/A	N/A	N/A	N/A

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010	2010	2010	2010	2010	2010	2010	2010
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	23	5%	22	5%				
Mastery	80	17%	64	13%				
Basic	208	43%	224	46%				
Approaching Basic	118	25%	89	18%				
Unsatisfactory	52	11%	85	18%				
Total	481	100%	484	100%	N/A	N/A	N/A	N/A
<b>Grade 7</b>								
Advanced	17	4%	19	4%				
Mastery	54	12%	45	10%				
Basic	216	48%	216	48%				
Approaching Basic	121	27%	116	26%				
Unsatisfactory	45	10%	57	13%				
Total	453	100%	453	100%	N/A	N/A	N/A	N/A

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	3	1%	19	4%
Mastery	49	11%	31	7%
Basic	164	38%	183	42%
Approaching Basic	156	36%	90	21%
Unsatisfactory	63	14%	112	26%
Total	435	100%	435	100%
<b>PregED Skills</b>				
Advanced	0	0%	0	0%
Mastery	0	0%	0	0%
Basic	3	4%	3	4%
Approaching Basic	16	24%	9	13%
Unsatisfactory	49	72%	55	82%
Total	68	100%	67	100%

See accountant's report.

(UNAUDITED)



NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	2011		2011		2011		2011	
<b>Grade 3</b>								
Advanced	4	1%	17	4%	8	2%	9	2%
Mastery	37	10%	33	9%	46	12%	39	10%
Basic	178	46%	197	51%	161	42%	178	45%
Approaching Basic	101	26%	75	20%	107	28%	83	22%
Unsatisfactory	63	16%	61	16%	61	16%	74	19%
Total	383	100%	383	100%	383	100%	383	100%
<b>Grade 5</b>								
Advanced	21	4%	39	8%	23	5%	15	3%
Mastery	78	16%	38	8%	61	12%	51	10%
Basic	198	40%	212	43%	172	35%	215	44%
Approaching Basic	124	25%	97	20%	162	33%	121	25%
Unsatisfactory	72	15%	107	22%	75	15%	91	18%
Total	493	100%	493	100%	493	100%	493	100%

See accountant's report.

(UNAUDITED)

NATCHITOCHES PARISH SCHOOL BOARD  
Natchitoches, Louisiana

Iowa and iLEAP  
For the Year Ended June 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	2011		2011		2011		2011	
<b>Grade 6</b>								
Advanced	14	3%	32	7%	19	4%	24	5%
Mastery	56	12%	48	10%	60	12%	48	10%
Basic	245	51%	225	46%	235	48%	201	41%
Approaching Basic	115	24%	108	22%	130	26%	125	25%
Unsatisfactory	62	13%	79	16%	48	10%	94	19%
<b>Total</b>	<b>492</b>	<b>102%</b>	<b>492</b>	<b>102%</b>	<b>492</b>	<b>100%</b>	<b>492</b>	<b>100%</b>
<b>Grade 7</b>								
Advanced	23	5%	24	5%	10	2%	14	3%
Mastery	67	15%	43	9%	61	13%	48	10%
Basic	216	48%	237	52%	187	38%	222	46%
Approaching Basic	139	31%	107	24%	157	32%	115	24%
Unsatisfactory	38	8%	75	17%	71	15%	87	18%
<b>Total</b>	<b>483</b>	<b>107%</b>	<b>486</b>	<b>107%</b>	<b>486</b>	<b>100%</b>	<b>486</b>	<b>100%</b>

See accountant's report.

(UNAUDITED)

RECEIVED  
LEGISLATIVE AUDITOR

# **Natchitoches Parish School Board**

310 Royal Street P. O. Box 16  
Natchitoches, Louisiana 71458-1116

(318) 352-2358  
FAX (318) 352-8138

## CORRECTIVE ACTION PLAN

December 1, 2011

Mr. Daryl Purpera  
Legislative Auditor  
P. O. Box 94397  
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

The Natchitoches Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2011:

### **SECTION I: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL SCHEDULES**

Not applicable.

### **SECTION II: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**

Not applicable.

### **SECTION III: MANAGEMENT LETTER**

#### **2011 - 1 Separate Accounting of Student Activity Funds and Purchasing Procedures**

*Recommendation:* Procedures should be implemented and followed to ensure that all expenditures are authorized after determination of availability of funds.

*Corrective Action Taken:* We have met with officials and employees responsible at each school. We discussed the importance of not only the elimination of deficits, but also the need to ensure that no general fund or individual restricted accounts spend monies in excess of the balance of funds available.

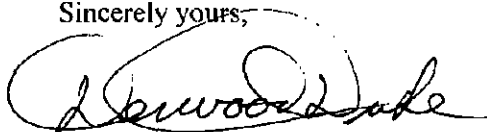
**2011 - 2      Concessions - Matching of Revenues & Expenses**

*Recommendation:* Procedures and policies should be implemented to ensure that concession revenues and costs are allocated appropriately between school activities to ensure that an activity that benefits from the sale of concessions also incurs the burden of the cost of concessions sold.

*Corrective Action Taken:* We have met with the principals at each school and discussed the importance of properly matching revenues and expenses within each activity. All concessions will be recorded correctly.

If the Legislative Auditor has questions regarding this plan, please call John LaBorde at 318-352-2358.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Derwood Duke", with a large, stylized loop at the beginning.

Dr. Derwood Duke  
Superintendent